



Request for Proposals for Herndon Downtown Redevelopment Project

Issue Date: November 2, 2015

Due Date: February 12, 2016

Project Name: Herndon Downtown Redevelopment Project

Project Location: 770 & 782 Elden Street, 724, 726 & 750 Center Street and 731 Station Street, Herndon, Virginia

Solicitation Number: RFP 16-05

Owner Name: Town of Herndon, Virginia

Owner Contact Information: Dennis Holste
Economic Development Manager
Town of Herndon
777 Lynn Street, Herndon, VA 20170
Phone: 703-435-6800 x 2085
Email: dennis.holste@herndon-va.gov

All questions should be submitted in writing by e-mail, by no later than December 15, 2015 to: Dennis Holste, E-mail: Dennis.holste@herndon-va.gov.

Proposals for entering into an agreement to implement the project described herein will be received until 4:00pm EST on February 12, 2016. Proposals should reach the address below by the deadline stated.

Deliver Proposals To: Town Manager's Office

Town of Herndon
777 Lynn Street
Herndon, VA 20170

There will be a pre-proposal meeting and site tour on December 2, 2015 at 2:00pm.

The pre-proposal meeting will be held at: 765 Lynn Street, Herndon, VA 20170

The site tour will occur as part of the pre-proposal meeting.

Table of Contents

I.	OVERVIEW	3
II.	GENERAL DESCRIPTION OF PROPOSAL SUBMITTAL, EVALUATION AND SELECTION PROCESS	4
III.	DESCRIPTION OF THE PROPERTY AND THE PROJECT	5
IV.	FACTORS TO BE USED IN EVALUATING PROPOSALS.....	13
V.	TERMS AND CONDITIONS OF THIS REQUEST FOR PROPOSALS	13
VI.	TERMS AND CONDITIONS OF RESULTING AGREEMENT	14
VII.	INSTRUCTIONS TO PROPOSERS ON PROPOSAL SUBMISSION	15
VIII.	REFERENCES	21
IX.	LIST OF APPENDICES TO RFP	22
	APPENDIX A.....	A-1
	APPENDIX B.....	B-1
	APPENDIX C.....	C-1
	APPENDIX D.....	D-1
	APPENDIX E	E-1

REQUEST FOR PROPOSALS FOR HERNDON DOWNTOWN REDEVELOPMENT PROJECT

I. OVERVIEW

The Town of Herndon, Virginia ("Town"), through this Request for Proposals ("RFP"), hereby solicits submission of proposals for the redevelopment of 4.675 acres of land in historic downtown Herndon into an attractive, mixed-use development, including a parking structure in which the Town has fee interest to a minimum of 220 spaces. The Town envisions a development of excellent design and quality providing the historic town core with additional vitality while respecting and reflecting the heritage of the downtown. The parcels benefit from street frontage on Elden Street and Station Street with the northern edge of the property abutting the highly traveled and widely enjoyed Washington & Old Dominion Regional Trail. The Town envisions these benefits to be utilized to develop a superb environment for outdoor pedestrian enhancements including outdoor dining and passive and programmed activities. The site also benefits by being within 1.5 miles of the future Silver Line Herndon Metro Station. The Town will have circulator bus service from the downtown to the future Metro station.

The parcels have been rezoned from Center Commercial to Planned Development Downtown (PD-TD), which permits the development of mixed use development under a form-based code controlling the number of stories based upon types of uses and regulatory plans found in the adopted Herndon Downtown Pattern Book. The Town envisions selling the parcels in fee to a developer or developers, who would construct a parking structure on some of the land in order to accommodate both the Town's and the developers' parking requirements and redevelop the parcels into mixed uses such as hotel, residential, retail, or commercial. The redevelopment should be consistent with the Town's vision and should include utilities, streetscape, and an 18,000 square foot arts center. The Town would strongly prefer that the public shared parking, and arts center be funded from the proceeds of the Town's property. The Town is willing to consider a long term lease of the parcels and financing, but the simpler approach of sale of the parcels in fee is preferred.

This RFP is being issued pursuant to Virginia's Public-Private Education Facilities and Infrastructure Act of 2002, Va. Code §56-575.1, et seq. ("PPEA"), and other law. The PPEA allows public entities in Virginia to enter into public-private partnerships in order to develop a wide range of facilities. The Town adopted revised PPEA implementing guidelines on August 11, 2015 (the "Guidelines"). Procurements under the PPEA are not subject to the Virginia Public Procurement Act ("VPPA"), except as the PPEA and Guidelines indicate, and PPEA procurements may be conducted using procedures consistent with those used for competitive negotiation of nonprofessional services under the VPPA. The Town has determined to use such competitive negotiation procedures in this PPEA procurement. The Town's goal in this procurement is to enter into an agreement under the PPEA and other law with the proposer who is fully qualified and best suited to provide the Town the best project.

To follow is a general description of the proposal process (Part II), a description of the property and the project (Part III), the evaluation factors to be used to evaluate proposals (Part IV), terms and conditions of this RFP and of any resulting agreement (Parts V and VI), instructions on proposal

submission (Part VII), a list of references (Part VIII), and a list of appendices, which include forms that proposers must complete and submit with their proposals. A projected timeline for this procurement is in Appendix E to this RFP.

II. GENERAL DESCRIPTION OF PROPOSAL SUBMITTAL, EVALUATION AND SELECTION PROCESS

The Town contemplates that this procurement will essentially be a two-step process:

Step 1 – Initial Conceptual Phase. Proposers will submit initial proposals, the contents of which are described in Part VII B of this RFP. In general terms, initial proposals for this procurement should be concerned primarily with the proposer's capabilities and qualifications for a project of this nature, proposed development plans and strategies to implement the project, and demonstration of a thorough understanding of the Town's needs, requirements and vision as they relate to this project. Proposers should carefully follow all the instructions in this RFP and respond only in a format that corresponds to that outlined in Part VII B of this RFP.

A Town committee will evaluate proposals in accordance with the applicable evaluation factors in Part IV of this RFP. The evaluation committee may ask proposers, individually or collectively, for clarifications or further information, may check references and other information, may meet individually with one or more of the proposers, at its discretion, and may request oral presentations from one or more proposers. Alternately, the Town may base its evaluations on the proposals as submitted. The public portion of the proposals will be posted on the Town of Herndon website, which will allow citizens to provide comments. The Town Council, after considering the recommendations of the evaluation committee and public comment, may select a limited number - likely two, and not more than three - of proposers who are fully qualified, capable, and best suited in the Town's discretion to submit a detailed proposal that best meets the Town's needs. Selected proposers will be invited to submit detailed proposals by a specified deadline. However, the Town may, in its discretion, following Step 1, determine that only one proposer is qualified or that one proposer is clearly more highly qualified than the others and proceed directly to negotiate with that proposer.

Step 2 – Detailed Phase. Selected proposers will be invited to submit detailed-phase proposals. These detailed proposals will be reviewed by the Town's evaluation committee, which may request additional information or clarifications if and as deemed necessary. The detailed proposal review will likely include an interview with the proposers' key team members and principals by the evaluation committee. The Town will require the proposers to make a presentation of their proposal to the public and will accept public comment on the proposals and presentations. After considering recommendations by the evaluation committee and public comment, the Town Council may, in its discretion, choose to enter into negotiations with one, two or more than two proposers. However, the Town Council may, in its discretion, determine that only one proposer is fully qualified or that one proposer is clearly more highly qualified and proceed directly to negotiate with that proposer. Based upon negotiations, the Town Council will then decide if proceeding with an agreement serves the public interest, and may enter into such an agreement. The Town Council will hold a public hearing on proposals at least thirty days prior to entry into any agreement with a proposer.

III. DESCRIPTION OF THE PROPERTY AND THE PROJECT

The Town is providing the following for information purposes only and does not warrant its accuracy or completeness:

A. Location and Physical Description

1. The land is generally described as located between Station Street to the east, Center Street to the west and south of the property known as the W&OD Regional Trail (the owner of which is the Northern Virginia Parks Authority (NOVA)), and north of Elden Street, but excluding parcels 16-2-40 (754 Elden Street) and 16-2-25 (762 Elden Street).
2. The land is more specifically described as 16-2-17, 16-2-18, 16-2-20B (sometimes called 20F), 16-2-20C, 16-2-20D, 16-2-20E, 16-2-10E, a portion of 16-2-10B and the portion of the Vine Street right-of-way adjoining these parcels, as well as 16-2-26, 16-2-27A (now or formerly 2 parcels) and 16-2-29. Recorded addresses for the property include 731 Station Street, 724, 726 and 750 Center Street, 770 Elden Street and 782 Elden Street. Furthermore, the property is identified as Block E and a portion of Block D in the Downtown Master Plan of the Town of Herndon 2030 Comprehensive Plan.

B. Site Background

1. History of Site

The site sits within a core block of Herndon's traditional downtown. As a railroad town serving the needs of the surrounding farming community during the last half of the 19th Century and first half of the 20th Century, the downtown, and specifically the property in question, contained commercial, industrial and residential structures. During the 20th Century the property was the site of the Murphy and Ames Lumber Yard and building (no longer existing), which was located on the eastern portion of the site, a tractor sales and repair facility (the structure has been repurposed as "ArtSpace" 750 Center Street), several single family homes along Center Street (removed during the 1990s) and an automobile dealership and repair building dating to the 1920s and still existing.

At the beginning of the 1990s, the Town constructed a storm sewer to enclose a stream running south to north through portions of the property. The storm sewer, in conjunction with a sanitary sewer, is located within an easement, the width of which varies. See Survey in Appendix D.

Today the property is comprised of two active uses, Stohlman Subaru car dealership located at 782 Elden Street which is scheduled to be vacated by December 31, 2015 and ArtSpace, a community art gallery and event space located at 750 Center Street. In addition, the Town has public parking on several of the parcels.

2. Historic Preservation

The property is located within Herndon's downtown heritage preservation district. Herndon's downtown was added to the National Register of Historic Places in 1991.

Although some existing buildings within the downtown date to the mid-19th Century, the recognized period of significance for Herndon's downtown is the late 19th Century to approximately the 1940s. The Town Council appointed the Heritage Preservation Review Board (HPRB) to consider applications for new construction, demolition, alterations and signs.

In conjunction with the development and adoption of the Downtown Master Plan, an historic property survey was performed categorizing each structure by its significance. The ArtSpace structure located at 750 Center Street was listed as non-contributing while the Stohlman Subaru dealership was placed in C-3, the lowest preservation priority. It is assumed that both structures will be removed, but applications for demolition will be required to be considered by the HPRB.

New construction and demolition of existing construction require review and approval by the town's HPRB. The seven-member board reviews the architectural massing, style, scale, materials, arrangement of voids, colors and other exterior features of proposed buildings to determine the appropriateness of proposed development.

The HPRB will review those structures proposed for the Property. Their determination of appropriateness will be based upon the Herndon Heritage Preservation Guidelines and more specifically the Herndon Downtown Pattern Book, with particular emphasis on the Section C Lot and Building Guidelines, and upon the proffers and exhibits of ZMA #14-101 and ZMA #15-101. Formal application to the HPRB should coincide with the final stages of site plan review. Applicants are encouraged to submit drawings, descriptions, materials and similar information to the HPRB prior to formal application submittal.

3. Comprehensive Planning Activities

Since the 1980s, the Town's comprehensive plan has recognized both the unique status of the downtown as the historic heart of the Town and the need for a more vibrant and active mixed-use core combining private and public uses. On February 22, 2011, the Town adopted the Downtown Master Plan into the Town of Herndon 2030 Comprehensive Plan.

<http://www.herndon-va.gov/Content/Zoning/PlanningandZoning/ComprehensivePlanning/CompPlan2030CompleteFinal5-15-15.pdf>

This plan was based upon an extensive, community-based planning effort. The outcome was based upon urban design, market, engineering and historic preservation studies.

To implement the plan, the Downtown Pattern Book, a Guide to Downtown Development, and zoning requirements for the PD-TD zoning district were developed and adopted in 2013. Building upon these endeavors, the Town developed and approved ZMA #14-101 and drafted ZMA #15-101.

4. Environmental Assessments

The following environmental assessments are available. Summaries of these assessments are for the convenience of proposers, and neither the summaries nor the assessments constitute any representation or warranty by the Town as to the environmental condition of the sites.

- a. Phase I Environmental Site Assessment, Elden Street Parcels, 770-786 Elden Street, and 724 Center Street, Herndon, Virginia, dated July 21, 2015, performed by ECS Mid-Atlantic.
- b. Phase II Environmental Site Assessment, Elden Street Parcels, 770, 772-786 Elden Street and 724 Center Street, Herndon, Virginia, dated July 10, 2015, by ECS Mid-Atlantic.
- c. Report of Hazardous Materials Survey, 770 Elden Street, Herndon, Virginia, dated July 23, 2015, performed by ECS Mid-Atlantic.
- d. Additional Environmental Borings, Elden Street Parcels, 770 Elden Street, dated August 19, 2015, revised September 2, 2015, by ECS Mid-Atlantic.
- e. A September 2, 2015, letter from the DEQ indicates contaminant concentrations for Pollution Complaint #90-1343 do not warrant further investigation.
- f. A September 30, 2015, letter from the Virginia Department of Environmental Quality (DEQ) issuing a Bona-Fide Prospective Purchaser Letter to the Town of Herndon for the Ashwell Property, 770 & 782 Elden Street and 724 Center Street.
- g. Phase I Environmental Site Assessment, Ashwell Parcels 762,770 and 782 Elden Street, 724 & 726 Center Street and 731 Station Street, Town of Herndon, Virginia, dated August 10, 2007, by Environmental Consultant and Contractors, Inc.
- h. Phase II Environmental Site Assessment, Herndon Assemblage Center Street, Elden Street, Haley Place, Locust Street, Spring Street, Station Street and Vine Street, Town of Herndon, Virginia, dated October 24, 2007, by Environmental Consultant and Contractors, Inc.
- i. Phase I Environmental Site Assessment, Paul Brothers Property, 770 Elden Street, Herndon, Virginia 22070, dated February 10, 1995, performed by Chester Environmental.

Copies of all Environmental Site Assessments and DEQ correspondence are available on the Town website www.herndon-va.gov.

5. Surveys – See Appendix D, also available at www.herndon-va.gov.

6. Zoning

On May 27, 2014, the Town Council approved a proffered zoning map amendment (ZMA #14-101) encompassing the portions of the property identified as 16-2-17, 16-2-18, 16-2-20B (sometimes called 20F), 16-2-20C, 16-2-20D, 16-2-20E, 16-2-10E, a portion of 16-2-10B and the portion of the Vine Street right-of-way adjoining these

parcels, changing the zoning of the property from Central Commercial (CC) to Planned Development Traditional Downtown (PD-TD), with approved modifications. On September 22, 2015, the Town Council approved a proffered zoning map amendment (ZMA #15-101) encompassing parcels 16-2-26, 16-2-27A (now or formerly 2 parcels) and 16-2-29, changing the zoning from CC to PD-TD, with approved modifications. Copies of the rezonings are available at www.herndon-va.gov.

The adopted Herndon Downtown Pattern Book, the proffers and modifications, as well as applicable portions of the Town of Herndon Zoning Ordinance (2007 as amended), control the development of the property.

7. Geotechnical – No information available

C. Project Requirements

1. Nature of Development Sought

a. General Layout

The form of the development is best demonstrated through the regulatory plans found in the Downtown Pattern Book. Buildings should face and abut public streetscapes and designated open spaces. Buildings dedicated to residential use along Center Street should provide an additional five feet between the rear of the streetscape and the building to allow landscaping. Ground floor residential units, when an English basement is not present, should be raised approximately two feet above grade to provide additional separation from the public sidewalk.

The development should be mixed-use. Storefronts should line Station Street and Elden Street. The storefronts on Station Street should wrap around and along the Station Street public open space located between the building and the W&OD Trail. Similarly storefronts should also front the Elden Street publically-accessible open space as well as a portion of Center Street in the proximity of the Center Street and Elden Street intersection.

Parcels 16-2-29, 16-2-20C, 16-2-18 and 16-2-17 are reserved for residential (multi-family with or without stacked townhouses) and parking. Residential development on parcels 16-2-18 and 16-2-17 may be four stories in height. The Town does not require the project to provide workforce or affordable housing within the development. The heights allowed for the development are described herein.

b. Height

Residential, hotel or mixed-use with residential or hotel above = maximum four stories. Exception – Parcels 16-2-20C, 16-2-29 and a portion of 16-2-27A shall be restricted to three stories for a distance of at least 20 feet back from the front façade along Center Street.

Office and mixed-use buildings with office or other commercial uses (other than hotel) located above = maximum three stories.

English basements do not count as a story but are not appropriate along frontages with storefront architecture.

No structure shall exceed 54 feet in height from grade except for those features allowed to exceed the height of a building as described in Sec. 78-303.2(e)(8) of the zoning ordinance. All such structures shall be screened.

c. Access

The parking garage(s) should be screened by abutting or adjacent buildings and accessible from Center Street and Station Street. Vehicular access between Center Street and Station Street should be provided using either an internal street, shared-use (pedestrian and vehicular) space or through the parking garage. Pedestrian access is required through the site in both the east/west and north/south directions. Shared use areas (pedestrian and vehicular) should be of alternative paving materials such as brick or decorative paver. Bollards and paving markings should provide appropriate cues to pedestrians, cyclist and vehicles where awareness is necessary. Furthermore, shared use areas must have pedestrian zones per ADA guidelines.

2. Architectural Standards & Architectural and Material Quality Expected

The architectural standards are described and illustrated within the Herndon Downtown Pattern Book as well as the proffers for the two zoning map amendments. Brick should be the primary façade material, but additional materials may include stone, fiber cement siding (clapboard or shingle as appropriate), cellular PVC trim, and cast stone. At least one building shall incorporate public art into the façade. Structures shall not have stairwells open to the exterior. The architecture should reflect the historical period of significance for the Town (late 19th Century through the 1940s). The scale of larger structures should be broken into smaller units to reflect the scale of the downtown's older commercial structures. Vertical and horizontal articulation is necessary. Changes in plane should be significant enough to create a sense of depth and shadow. Buildings should have a visual base, middle and top and should not be more than 60 feet wide in appearance.

Floor to ceiling heights are preferred to have those associated with higher end retail and residential uses. For example ground floor ceiling heights of approximately 17-20 feet.

From within the development, exposed parking structures shall be highly detailed. Appropriate exterior materials are: brick, stone, fiber cement siding (when appropriate to the style and scale of the structure), cellular PVC trim or cast stone. Panelized brick and stone veneers exhibiting a hand-laid appearance may be appropriate. All materials and exterior façade design shall be subject to review by the HPRB. Due to the scale of parking structures, in most circumstances brick, stone and cast stone are most appropriate for exposed surfaces. All stairways shall be enclosed.

Proffers Exhibit A of ZMA #14-101 provides architectural elevations and photos. This exhibit should not be used as a template for the development. This exhibit does

demonstrate the level of detailing expected and necessary to meet the guidance of the Downtown Pattern Book and Herndon Heritage Preservation Handbook. Exhibit A includes a photograph of the “Woodland Park” parking garage. This serves to indicate the level of detailing and screening necessary for an appropriately designed visible parking structure.

A parking garage to provide both the Town’s public parking and parking for the development is anticipated. It is preferable that the garage be screened from public rights-of-way by abutting or attached buildings. Those parking garage elevations visible along public rights-of-way should appear as habitable space on the ground floor and highly decorative on upper stories.

The development shall include sound reducing windows and sound insulated exterior walls on residential facades facing the W&OD Trail, Station Street and Elden Street. The windows and walls shall meet attenuation standards determined through professional consultation to protect the interior space from the sound of concerts and other activities on the Town Green and traffic along Station and Elden streets.

The two designated open spaces shall incorporate soft and hard surfaces and shall be designed by a registered landscape architect based upon the guidance provided within both sets of proffers and in concert with the architectural character of the abutting buildings.

3. Sustainability

The Town is committed to a sustainable development and requires that this project be developed to receive LEED certification under the appropriate LEED rating system or equivalent certification, with the exception of the parking garage portion of the project. All Chesapeake Bay stormwater requirements are the responsibility of the proposer. In addition to other possible stormwater quality and quantity measures, planting areas along the Center Street streetscape may incorporate stormwater facilities provided they are of high aesthetic quality and the responsibility of the adjacent development to maintain. Appropriate agreements regarding responsibility and enforcement will be required during the site plan process.

4. Zoning

The entire site has been rezoned PD-TD and subject to the proffers and modifications of the applicable zoning map amendment, the adopted Herndon Downtown Pattern Book, particularly Section B, Regulatory Plans, and Section C, Lot and Building Guidelines, and the Town of Herndon Zoning Ordinance (2007 as amended) as well as the Herndon Heritage Preservation Handbook.

All entitlements have been completed. The process, following final selection, will consist of standard site plan procedures and processing, as well as HPRB review and determination. Generally, site plan and HPRB review and determination can be completed in approximately six months dependent upon the responsiveness of the applicant and the applicant’s consultants.

Prior to entry into an agreement, the Town shall pursue the vacation of the Vine Street rights-of-way.

5. Heritage Preservation Review Board

No construction or demolition can commence prior to application to, and review and determination of appropriateness by the HPRB. The seven-member board reviews the architectural massing, style, scale, materials, arrangement of voids, colors and other exterior features of proposed buildings to determine the appropriateness of proposed development.

The HPRB will review those structures proposed for the property as well as demolition of any existing structures. Their determination of appropriateness will be based upon the Herndon Heritage Preservation Guidelines and more specifically the Herndon Downtown Pattern Book, with particularly emphasis on Section C, Lot and Building Guidelines, and upon the proffers and exhibits of ZMA #14-101 and ZMA #15-101. Formal application to the HPRB should coincide with the final stages of site plan review. Applicants are encouraged to submit drawings, descriptions, materials and similar information to the HPRB prior to formal application submittal.

6. Parking Garage Requirements

a. General design criteria

A parking garage to provide both the Town's public parking and parking for the development is required. It is preferable that the garage be screened from public rights-of-way by abutting or attaching buildings. Parking garage elevations visible along public rights-of-way should appear as habitable space on the ground floor and highly decorative on upper stories.

b. Access

Access shall be provided from both Center Street and Station Street.

c. Parking Spaces

The Town requires a fee interest in at least 220 parking spaces in the parking garage. In addition to the 220 parking spaces, parking shall be provided for all development square footage and residential units in accord with the Town of Herndon Zoning Ordinance (2007 as amended) Table 78-500.3(A)(1) Minimum Off-Street Parking Standards in the PD-TD Zoning Districts. Additional information is contained within proffers #3 and #4 of ZMA 14-101 and proffer #4 of ZMA 15-101. It is required that the proposer will pay for all required nonresidential parking, which will remain open to the public and not assigned to a specific business, although some accommodation for dedicated parking will be provided in the case of a hotel. Up to .5 parking spaces per residential unit may be developed per Section 79-500.3(h).

d. Public-Shared Parking Program

The Town has maintained a public shared parking program since the mid-1990s, providing an option for relatively small properties in downtown that wish to

redevelop but are in need of additional parking off-site. Parking is not assigned and is free and available to all patrons and residents in downtown Herndon.

7. Water Systems – Town of Herndon

8. Sanitary Sewer Systems – Town of Herndon

9. Electrical Power & Underground Gas – Dominion Virginia Power and Columbia Gas

10. Telecommunications – Comcast, Cox and Verizon

11. Arts Center

The Town seeks approximately 18,000 square feet for use as an arts center. The arts center shall be delivered as a cold dark shell. The space will be subdivided with 2,500 square feet for a lobby area and restrooms, 4,000 square feet for gallery and classroom space, 8,000 square feet for a 200 seat performing arts theater and standard associated space such as a scene shop, and 500 square feet for TV studio. An additional 3,000 square feet will be used as multi-purpose room. The exterior design should provide an iconic architectural design reflecting the use as an arts center.

12. Streetscape Improvements Along Public Rights-of-Way

The required streetscape along public rights-of-way consists of: A twelve foot dedication or public access easement from back of curb; Town-standard clay pavers; Town-standard streetlights; Town-standard tree grates and portable planters along Elden Street and Station Street; planter beds along Center Street, with the exception of parcel 16-2-17 (750 Center Street) where street trees are to be placed within a six foot wide grass verge; street furniture per the Town's adopted streetscape guidelines, the approved proffers and with the approval of the Zoning Administrator. All plantings shall be done by the proposer with the placement, species, variety, and size being per the Town's adopted streetscape guidelines, the approved proffers and with the approval of the Zoning Administrator.

13. Internal Streetscapes

Internal streets or drives (excluding parking areas within parking lots or parking structures) shall provide pedestrian sidewalks or in the case of shared use space pedestrian safe areas meeting ADA guidelines. All pedestrian areas and shared use spaces shall be designed with high quality and durable decorative surface treatments. Sidewalks or shared use spaces shall be provided between all parking areas and structures and adjacent buildings and public rights-of-way.

14. Open Space

Two areas have been identified as public open space with additional open space areas to be provided within the development. The two identified public open spaces are the northeast corner of the property abutting Station Street and south of the property owned by NOVA. This open space is indicated on the approved GDP for ZMA #14-101. Proffer 14, Public Open Space, of ZMA #14-101 states the requirements of the design, location and development of this open space. The second open space relates to the

property's Elden Street frontage and is described in Proffer 3, Public Accessible Open Space, of ZMA #15-101. The minimum amount of public accessible space contained on parcels 16-2-26 and/or 16-2-27A (combined) is 11,000 square feet.

IV. FACTORS TO BE USED IN EVALUATING PROPOSALS

The Town plans to evaluate the proposals using the following criteria:

- A. The suitability and quality of the redevelopment proposed and how it complements the historical history of the Town and meets the needs of the community.
- B. The strength and definiteness of agreements and guarantees that all development and construction promised will in fact occur and in a timely manner, including without limitation, the proposer's having leases, contracts, or letters of intent in place with reputable and desirable tenants or purchasers of the developed property.
- C. The financial benefit to the Town of the transaction.
- D. The suitability of the design of the parking garage and assurances as to its appropriate construction and maintenance and the life of the structure and future replacement.
- E. The capabilities and prior experience of the proposer and its team with similar projects.
- F. The proposer's understanding of the Town's needs, requirements and vision as they relate to this project and its accommodation of them in its proposal.
- G. The long term economic viability, sustainability and contribution of the project to the Town's quality of life.
- H. Transition plan for the public shared parking program and the temporary relocation of ArtSpace within the development schedule of this project.
- I. The feasibility of the strategies for the implementation of the proposed project.
- J. An assessment of the proposal for LEED certification under the appropriate LEED rating system or equivalent certification, and at what level of certification.

V. TERMS AND CONDITIONS OF THIS REQUEST FOR PROPOSALS

The following terms and conditions apply to this Request for Proposals, and by submitting its proposal, the proposer agrees to them without exception:

- A. Neither this Request for Proposals nor the Town's consideration of any proposal shall create any contractual obligation, expressed or implied, by the Town to any proposer, or any other obligation by the Town to any proposer. The Town makes no promise, expressed or implied, regarding whether it will enter into an agreement with any proposer or regarding the manner in which it will consider proposals. The Town will only be bound by the terms of any agreement into which it enters should it choose to enter into any such agreement.
- B. The Town will not be responsible for any expenses incurred by a proposer in preparing and submitting a proposal or in engaging in oral presentations, discussions, or negotiations with the Town.

- C. Proposers who submit a proposal in response to this RFP may be required to make an oral presentation or oral presentations of their proposal in the Town of Herndon, Virginia, at their own expense. The Town may request the presence of proposers' representatives from their teams at these presentations. The Town will schedule the time and location for these presentations. By submitting its proposal, the proposer agrees to make these representatives reasonably available in the Town of Herndon, Virginia.
- D. The Town reserves the right to waive any informalities with respect to any proposal submitted in response to this RFP.
- E. The Town reserves the right to accept or reject any and all proposals received by reason of this request, in whole or in part, and to negotiate separately in any manner necessary to serve the best interests of the Town.
- F. Generally, proposal documents submitted to public bodies, such as ones submitted to the Town by private entities in response to this RFP, are subject to the Virginia Freedom of Information Act ("FOIA"). (See Guidelines.) Such documents are releasable if requested, except to the extent that they relate to (i) confidential proprietary information submitted to the responsible public entity under a promise of confidentiality or (ii) memoranda, working papers or other records related to proposals if making public such records would adversely affect the financial interest of the public or private entity or the bargaining position of either party. In order for proposers to exclude confidential proprietary information from public release, proposers must make a written request to the Town that (i) invokes such exclusion upon submission of the data or other materials for which protection from disclosure is sought, (ii) identifies with specificity the data or other materials for which protection is sought, and (iii) states the reasons why protection is necessary. The proposer must also clearly mark each page of information for which protection is sought with the legend- "Confidential – Not Releasable under FOIA."
- G. The Town reserves the right to reject any and all proposals without explanation.
- H. The provisions of Va. Code § 2.2-4310 are applicable to this RFP and any procurement done pursuant to it by virtue of the PPEA and the Guidelines. The Town will not discriminate against a proposer because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.
- I. Proposers shall comply with, and be bound by, the Town's Guidelines.

VI. TERMS AND CONDITIONS OF RESULTING AGREEMENT

The agreement entered into with the successful proposer (the "developer" for purposes of the agreement) shall provide for those items specified in the PPEA and in the Guidelines, as well as such additional terms and conditions as deemed prudent by the Town.

If the proposer is a limited liability company, a corporation, a limited partnership, or another entity that affords limited liability to any members, partners, etc., and is relying upon financial

statements or performance of members, affiliates, limited partners or others to show its responsibility, past performance, or qualifications, the proposer will be expected to have such members, etc., provide guarantees or to provide other adequate assurances of performance of all obligations under the agreement.

VII. INSTRUCTIONS TO PROPOSERS ON PROPOSAL SUBMISSION

A. General – Applicable to Both Step 1, Initial Proposals, and Step 2, Detailed Proposals

1. Submittal of Proposals. To be considered:
 - a. Proposals must be signed in ink by an authorized representative of the proposer, with an original, four hard-copies, and one electronic copy provided to the Town at the location designated in this RFP.
 - b. Proposals must be complete when submitted, including without limitation, a completed cover sheet (Appendix A) and a completed list of references (Appendix B).
 - c. Submit Step 1, initial proposals, to Town Manager. Proposals must be received **no later than 4:00 p.m., February 12, 2016**. Requests for extensions of this date will not be granted except by written amendment to the RFP applicable to all prospective proposers. Submission dates/times for detailed proposal(s) and draft agreement(s) from selected proposers advanced to detailed proposal evaluation and the negotiation of an agreement will be established at a later time by the Town. However, Appendix E provides an expected timeline for these activities.
 - d. Proposals are to be submitted in a sealed envelope with the words "Proposal Enclosed" on the face of the envelope. The lower left corner of the face of the envelope shall indicate the RFP number, the time and date of the RFP opening, the title of the proposal, and the proposer's name.
 - e. Proposals or any amendments to proposals received by the Town after the closing date will not be considered. Actual receipt by the Town and not the mailing or sending date shall control.
2. Brevity, clarity, and responsiveness in proposals are encouraged. The inclusion of extraneous information not pertinent to the basic purpose of the RFP is discouraged.
3. There will be a pre-proposal information briefing and site tour held on December 2, 2015, at 2:00 p.m., at 765 Lynn Street, Herndon, VA 20170. Attendance is encouraged but not mandatory.
4. Proposers are encouraged to carefully examine the RFP for discrepancies, errors, omissions or ambiguities. Any questions concerning the requirements of the RFP should be submitted by e-mail by December 15, 2015 and directed to:

Dennis Holste, Economic Development Manager
Town of Herndon
777 Lynn Street
Herndon, VA 20170

Dennis.holste@herndon-va.gov
703-435-6800 x 2085

5. The Town will attempt to review the written questions and requests for clarification. To the extent the Town decides to respond to such questions and requests for clarification, any and all responses and any supplemental instructions will be in the form of written addenda to this RFP which, if issued, will be posted on www.herndon-va.gov. All addenda shall become part of the RFP.
6. **NO CONTACT POLICY** – No proposers shall initiate or otherwise have contact related to the solicitation with any Town representative or employee, other than Dennis Holste, Economic Development Manager or Arthur Anselene, Town Manager. Any contact initiated by a proposer with any Town representative, other than Dennis Holste, Economic Development Manager or Arthur Anselene, Town Manager, concerning this solicitation is prohibited and may cause the disqualification of the proposer from this procurement process. No attempt shall be made by any proposer to contact members of the evaluation committee, any Town representative or employee, other than Dennis Holste, Economic Development Manager or Arthur Anselene, Town Manager.
7. No person or firm that is suspended or debarred from participation in Town procurement, conducting business or submitting proposals on contracts by any other local government, any agency of the Commonwealth of Virginia (“Commonwealth”) or the federal government, or any other governmental entity, shall be eligible to submit a Proposal pursuant to this RFP. If a proposer experiences a material change in its debarment status after a proposal is submitted and prior to the award of an agreement for the project, the proposer shall notify the Town of the change in writing at the time the change occurs or as soon thereafter as is reasonably practicable.
8. Any proposer organized or authorized to transact business in Virginia pursuant to Title 13.1 or Title 50 of the Code of Virginia shall include in its proposal the identification number issued to it by the Virginia State Corporation Commission. Any proposer that is not required to have authorization to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law shall include in its proposal a statement describing why the bidder or offeror is not required to be so authorized.
9. The provisions contained in Sections 2.2-4367 of the Virginia Public Procurement Act as set forth in the Code of Virginia (1950), as amended, shall be applicable to this RFP and agreement entered into by the Town.

By submitting a proposal, all proposers certify that their bids are made without collusion or fraud and they have not offered or received any kickbacks or inducements from any other proposer, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this RFP any payment, loan, subscription, advance, deposit of money,

services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

B. Instructions for Step 1, (Conceptual-Phase) Initial Proposals¹

1. A proposer's Step 1, initial (conceptual-phase) proposal, shall contain the following information:
 - a. a completed copy of Appendix A to this RFP;
 - b. a short executive summary
 - c. a table of contents; and
 - d. Part A – Background and Firm/Team Qualifications: Provide background and general qualifications for the firm and team members describing capability and credentials for the project. Cite specific information about the firm, the firm's reputation, knowledge and working experience in the regional market, similar types of endeavors, and successes. Demonstrate organizational strength and capacity. Demonstrate experience with funding mechanisms utilized by Virginia public entities, developers, and development partnerships. Provide the following information about background, capabilities, qualifications and experience²³:
 - (1) The structure of the proposer. Identify the legal structure of the proposer, the proposer's organizational structure for the project, and the proposer's management approach. Identify the senior principal who will execute the agreement on behalf of the proposer.
 - (2) The proposer's qualifications and the qualifications of key personnel proposed to be involved in the project.
 - (a) Describe the proposer's experience with projects of comparable type, size and complexity. Describe proposer's length of time in business, business experience, and experience, especially with respect to:
 - (i) public-private development relationships in urban environments;
 - (ii) mixed-use projects; and
 - (iii) city/town/county and other regulatory agencies of the type having jurisdiction or participation related to the project.

¹ Pursuant to the Guidelines, the Town Manager has waived submission of any information for Step 1 proposals other than that sought by this RFP. Proposers should not submit any information indicated in the Guidelines to be submitted with Step 1, initial (i.e., conceptual-phase), proposals except the information requested by this RFP.

² If the proposer is a limited liability company, a corporation, a limited partnership, or another entity that affords limited liability and is relying upon financial statements or performance of members, affiliates, partners or others with limited liability to show its responsibility, qualifications or past performance record, then the proposer must also submit the information for each such member, affiliate, partner or other so relied upon.

³ No team members shall be changed without prior written approval of the Town of Herndon.

- (b) State the names of the key personnel that the proposer intends to use on the project, including their years of employment with the proposer and state their experience on comparable projects. Indicate specifically any projects on which key personnel have worked in the positions for which they are proposed where there have been similar public-private relationships, mixed - use projects and experience with similar regulatory bodies as those having jurisdiction over or a part in the project.
 - (3) Provide the names, addresses, and telephone numbers of persons who may be contacted for further information about the proposal.
 - (4) Provide a current or most recent financial statement for the proposer (audited if available) and for each partner, shareholder, and member, etc., with an equity interest of twenty percent or greater. Copies of the proposer's balance sheets, income statements and sources and uses of funds statements for the past three fiscal years. Statements regarding the proposer's financial creditworthiness and past development experience which can be verified including: the names and addresses of at least three commercial or institutional credit references and a letter authorizing each credit reference to respond to the inquiries of the Town. At least two of the references should be lending institutions.
 - (5) Provide a list of references in the format contained in Appendix B who are willing to talk to Town personnel.
 - (6) Identify any persons affiliated with or employed by the Town who would be obligated to disqualify themselves from participation in any transaction with the proposer arising from or in connection to the project pursuant to The Virginia State and Local Government Conflict of Interest Act, Chapter 31 (§ 2.2-3100, et seq.) of Title 2.2.
- e. Part B – Proposed Redevelopment and Project Strategy: Outline proposer's proposed redevelopment and strategies for implementing the project. The redevelopment proposed should be consistent with the Town's vision. The proposal must utilize strategies that reflect an understanding of the project background, challenges, and parameters as described in Part III of this RFP. The outline of proposed development strategies should address:
- (1) the proposed redevelopment, including (a) conceptual sketches; (b) a topographical map (1:30 or other appropriate scale) depicting the location of the proposed project; (c) a conceptual site plan indicating the proposed location and configuration of the project on the proposed site; and (d) conceptual (single line) plans and elevations depicting the general scope, appearance and configuration of the proposed project;
 - (2) sequential steps needed to create a successful project plan;
 - (3) milestones and key decision points;

- (4) frequency of meetings between the proposer and:
 - (a) Town staff; and
 - (b) advisory and citizen groups;
 - (5) commitments from prospective purchasers, tenants, etc. (attach purchase contracts, leases and letters of intent to the extent they exist);
 - (6) detailed description of the proposed participation, use and financial involvement of the Town. Include the proposed terms and conditions for the project;
 - (7) list of proposed exterior materials and height of the buildings and parking garage;
 - (8) identification of any known government support or general public support for the project or financing thereof. Government or public support should be demonstrated through resolution of official bodies, minutes of meetings, letters, or other official communications;
 - (9) explain how the proposed project would impact the Town's or affected jurisdictions' development plans;
 - (10) explain how the proposed project conforms to the rezoning and Downtown Master Plan and Pattern Book; and
 - (11) explain the strategy and plans, including the anticipated timeline, that will be carried out to involve and inform the general public, business community, and governmental agencies in areas affected by the project.
 - f. Part C – Unique Capabilities: Describe any unique capabilities, experience, tools, or perspective that the proposer has related to the project. This section may expand on items presented in any of the previous sections or introduce new information related to the candidate firm or team.
 - g. Part D – Financial and Value Analysis: Provide an initial financial and value analysis for the project that includes:
 - (1) Analysis of the public value of the project and the project's impact on the tax base of the Town as follows:
 - (a) Identification of the property taxes, sales taxes, amount of fees and contributions and other local public income within the Town's current defined tax and fee schedule.
 - (b) Identification of the value of public facilities to be derived from the project.
 - (c) Identification of any other quantifiable economic benefits to the Town to be derived from the project.
- (Note that the financial analysis will be required to be updated during the course of the procurement.)

- (2) A conceptual financing plan. The Town intends to offer its fee interest in the properties in exchange for a fee interest in the 220 parking spaces and in the Arts Center, plus a cash payment for the remaining value of the balance of the total Fair Market Value (FMV) of the properties. All offers shall include an offer for purchase of the Town property at full value assuming current development rights. Any proffers negotiated as a result of the residential and commercial development rights, including but not limited to stormwater management, utilities, public parks, public education or public spaces for visual or performance art, shall be the sole responsibility of the proposer.

The proposer may also propose a ground lease arrangement as an alternative to provide an ongoing income stream for the Town to serve as a source of revenue for the construction of fee improvements to be retained by the Town (i.e., the 220 parking spaces and the Arts Center). The absence of such alternative will not be treated negatively with respect to the overall evaluation of the proposals.

- (3) Land purchase offer, including all estimates of FMV, how the estimates of FMV were determined, and any factors used to adjust the FMV and/or to make portions of the offer contingent, such as allowances for demolition, environmental remediation, or other contingencies.
- (4) Operations and maintenance estimates for the proposed parking structure, including assumptions and projected life cycle repair and renovation costs. Include projections of total costs and expected Town share.
- (5) Conceptual financial pro forma included as part of the proposal. Submit a pro forma model (using Microsoft Excel software with fully functional cell formulae and internal linkages in place) depicting a development budget and operating cash flow, including Town contributions, if any, that accurately reflects the proposed project concept and financing for a sufficient length of time to demonstrate the achievement of a sustainable structure in the shortest possible time. In addition, a diagram of proposed priority of payments and description of key assumptions with footnotes should be provided.
- (6) A statement of proposer's long-term financial sustainability strategy that includes development sources and uses of funds and that describes proposed capital and operation funding by source.
- (7) A discussion of the proposer's approach to balancing initial and out-year development expenditures, development scope and operations funding, financial return and project risk. Included in this discussion shall be a summary of the proposer's approach to out-year development and ongoing quality of life improvements through capital repair and replacement and reinvestment, including both sources and uses of funds. Additionally, this discussion shall provide a summary of the relationship, if any, between the proposer's expected financial return and its approach to ensuring that the assets are preserved and

high service levels are maintained over the course of the project. Any refinancing plans shall be included in this discussion, along with proposed sharing of net proceeds from any sale or refinancing. Proposers shall also address their approach for using any real estate tax savings or tax credit program revenues that may be generated.

(8) A list of any desired features or enhancements proposed for the project.

(9) Discussion of market risks and assessment of returns under conditions of economic stress.

Note: The projection of future imputed tax revenues to mitigate current capital outlay and/or future debt service outlay by the Town will be assessed commensurate with the risks associated with the actual realization of such benefits and may be discounted or modified by the Town in order to permit comparison of like factors among alternative proposals. The evaluation of proposals will include the consideration of overall least cost and maximum purchase price offered to the Town and a realistic assessment of net benefits to be derived from the project for public improvements and amenities. In general, proposals that demonstrate the least net cost/most net profit with the greatest public benefit, including but not limited to historic preservation, will receive more favorable consideration.

2. Proposals should be tabbed and organized along the categories of information indicated in Part VII B.1 of this RFP to allow easy review.

C. Instructions for Step 2, Detailed Proposals

The Town will issue instructions for Step 2, detailed-phase proposals, at a later time to those proposers invited to submit such proposals. The Town currently expects that it will issue its invitations and instructions on or about mid-April, 2016. The Town may require an earnest money deposit to the Town from proposers proceeding to Step 2, which would be refunded to unsuccessful proposers and applied to the consideration to be paid by the successful proposer.

VIII. REFERENCES

- A. The Public-Private Education Facilities and Infrastructure Act of 2002, Va. Code §§ 56-575.1, et seq.
- B. Town of Herndon Implementation Guidelines for the Public-Private Education Facilities and Infrastructure Act of 2002 (August 11, 2015). Copies may be obtained from the Town website www.herndon-va.gov.
- C. Virginia State and Local Government Conflict of Interest Act, Va. Code § 2.2-3100, et seq.
- D. Herndon Downtown Master Plan
<http://www.herndon-va.gov/Content/Zoning/PlanningandZoning/DowntownPlan/AdoptedPlanfinal042010.pdf>
- E. Herndon Downtown Pattern Book

http://herndon-va.gov/Content/Zoning/Downtown_Planning/PatternBookFINALTCadoptedJan292013.pdf

- F. Herndon Zoning Ordinance
https://www.municode.com/library/va/herndon/codes/code_of_ordinances?nodeId=PTIICOOR_CH78ZO
- G. Town of Herndon ZMA #14-101 – Ordinance, proffers, modifications and GDP. Copies may be obtained from the Town website www.herndon-va.gov.
- H. Town of Herndon ZMA #15-101 – Ordinance, proffers, modifications and GDP. Copies may be obtained from the Town website www.herndon-va.gov.
- I. Environmental Assessments – See list at Section III.B.4.a-i of this RFP. Copies may be obtained from the Town website www.herndon-va.gov.

IX. LIST OF APPENDICES TO RFP

- A. Appendix A – Proposal Submission Cover Sheet Form
- B. Appendix B – References Format
- C. Appendix C – Property Location Map
- D. Appendix D – Surveys
- E. Appendix E – Projected Timeline for Procurement

APPENDIX A

**Herndon Downtown Redevelopment Project
Solicitation (Request for Proposals) No. RFP 16-05**

Proposer's Name: _____

Proposer's Address:

Proposer's:

Telephone No.: _____

Facsimile No.: _____

E-mail Address: _____

VA SCC Business Registration #: _____

If the proposer does not have a Virginia SCC Business Registration number, explain why the proposer is not required to be so authorized under Title 13.1 or Title 50 of the Code of Virginia.

Proposer's or Proposer's Contractor's Virginia Class A General Contractor's License Number (if applicable): _____

Proposer's or Proposer's Architect's and Engineer's Virginia Registration Numbers (if applicable):

After first being placed under oath, I hereby certify that I have authority to submit this proposal on behalf of the proposer whose name appears above, that I am a principal of the proposer, that the proposer hereby agrees to all of the terms and conditions in the Town's solicitation for this procurement and in the Town's August 11, 2015, PPEA Implementing Guidelines, that neither the proposer nor any member of its team or their principals is currently suspended or debarred from public contracting by any federal, state or local government entity, that I have taken reasonable steps to ascertain the accuracy of all the information contained in this proposal and this certification, and that the information in this proposal and certification is accurate to the best of my knowledge or information and belief.

Signature

Printed/Typed Name

Title (Principal of Proposer)

Commonwealth of Virginia :

County/City of _____ : to wit
_____ :

On _____, 2015, _____, (same name as above) appeared before me, and after satisfying me of his/her identity and after being placed under oath, swore to the truthfulness of the above statement.

Notary Public

My commission expires: _____

The proposer acknowledges receipt of the following addenda:

Addendum No. ____ Dated _____

Addendum No. ____ Dated _____

Addendum No. ____ Dated _____

Addendum No. ____ Dated _____

APPENDIX B
References

<u>Name</u>	<u>Organization</u>	<u>Address</u>	<u>Telephone Number</u>	<u>Fax Number</u>	<u>E-mail</u>
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APPENDIX C

Location Map of Property

Town of Herndon Downtown Redevelopment Site



TOWN OF
Herndon
VIRGINIA

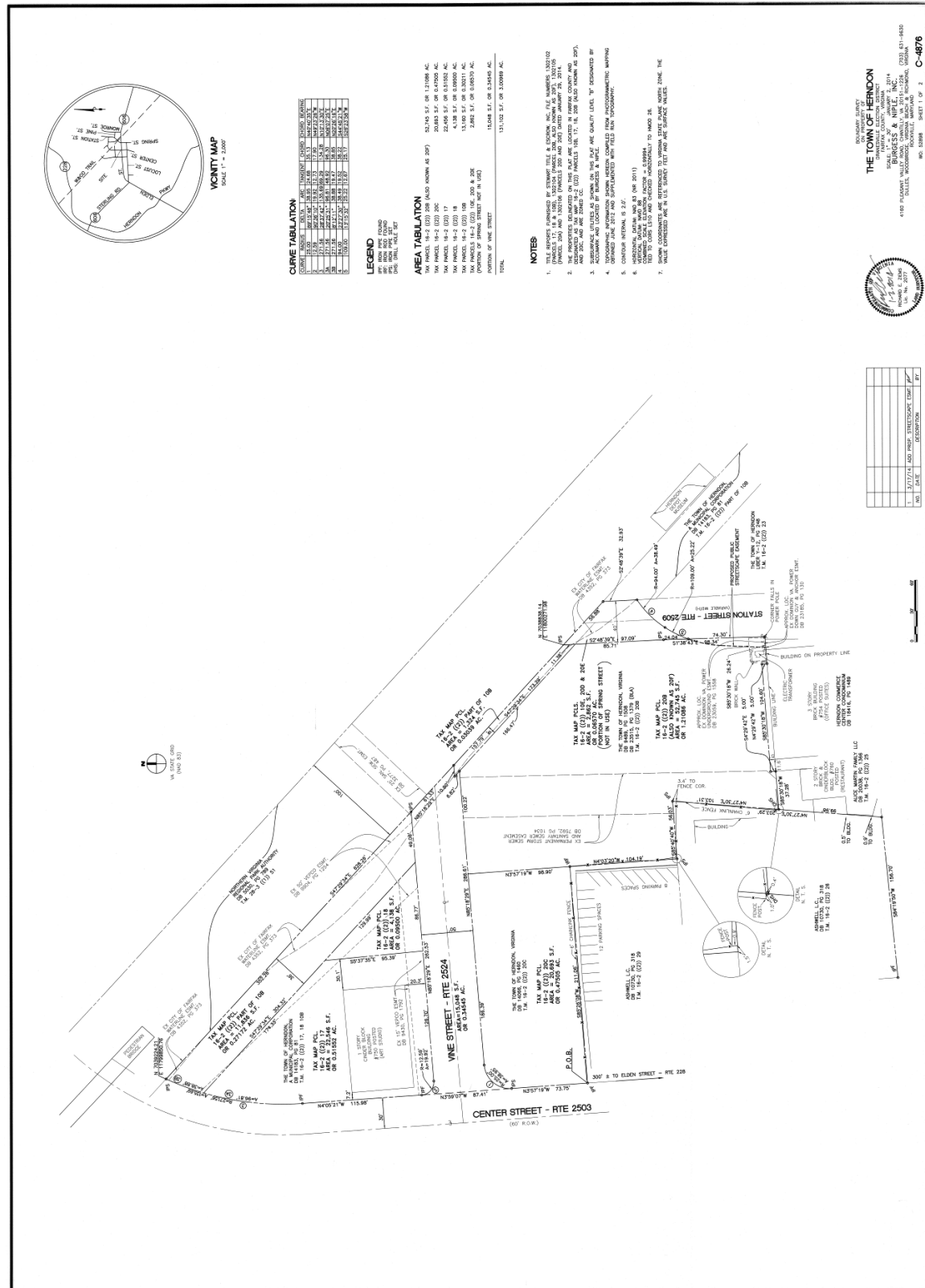
Land Owned by Town of Herndon



This map was prepared by the Town of Herndon GIS department.
PDP numbers of this map may not be used to indicate scale.
Please contact the Herndon GIS department for more
information for the features represented on this map.
For additional information, visit:
Town of Herndon
GIS department
Herndon GIS department
Herndon GIS department
Herndon GIS department

1 inch = 47 feet

Surveys



APPENDIX E
Herndon Downtown Redevelopment Project
Projected RFP Timeline

<u>Date</u>	<u>Time</u>	<u>Activity</u>	<u>Location</u>
October 20, 2015	7:00pm	RFP Discussion with Town Council	765 Lynn Street
November 2, 2015	8:00am	Release RFP	Town*
December 2, 2015	2:00pm	Pre-Proposal Conference & Site Tour	765 Lynn Street
December 15, 2015	5:00pm	Deadline for proposers submission of questions regarding RFP	Town*
February 12, 2016	4:00pm	Step 1, Initial Proposals, Due	Town*
Mid-April, 2016		Invitations for Step 2, Proposals, Issued	Town*
May 20, 2016	4:00pm	Step 2, Proposals, Due	Town*
May 25, 2016	7:00pm	Public Presentation by Developers	765 Lynn Street
July 1, 2016	7:00pm	Council Selection of Top Proposal	765 Lynn Street
July/October, 2016		Development of Agreement	Town*
November, 2016	7:00pm	Public Hearing	765 Lynn Street
December, 2016	7:00pm	Award of Agreement	765 Lynn Street

* Town of Herndon, 777 Lynn Street, Herndon, VA.